

Testimony to the Committee on Resources
U.S. House of Representatives
"Endangered Species Act: The Platte River Cooperative Agreement
and Critical Habitats"

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February 16, 2002

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My role, as Director of the Nebraska Department of Agriculture, is to do my best to promote and protect agriculture in this great state. In my promotional role, I can tell you that our producers here raise some of the finest quality, safest food you'll find in this nation, and maybe even in the world. And we don't just raise a little, we raise a lot. Our 50,000 producers are at or near the top nationally in a number of categories, including cattle, corn, soybeans, alfalfa meal, great northern beans, grain sorghum, and the list goes on. These products eventually become your steaks, your pork chops, your snack foods, your morning cereal.

Water is the key to unlocking the source of this bountiful food supply. In Nebraska, we are fortunate to be blessed with nearly 24,000 miles of rivers and streams, and underground aquifers, making it possible to irrigate 8.1 million acres of cropland. To some extent, in my opinion, irrigation equals food security.

So, when I think about the Endangered Species Act and how it is being implemented in Nebraska, I must say that I do have some concerns for our farmers and ranchers, for their communities and counties, and even for the state as a whole. I say this, because roughly one in every four Nebraskans depend on agriculture for employment, so anything that negatively affects the water supply to our producers, also has the potential to ripple through our entire economy. The impact of the Cooperative Agreement and the critical habitat designation for the piping plover, depending on how they are finalized, could be substantial.

For example, in the Platte Valley, where much of the good irrigated ground is selling for between \$1,500 to \$1,800 an acre, the inability to irrigate forces farmers to revert to dryland practices. The possibility of corn reaching 225 bushel yields drops to 50 bushels per acre or below because the region simply does not get enough rainfall to produce a corn crop. In many instances, farmers will be forced to fallow ground, which means they'll only get a crop once every two years. This can translate into lost income, lost jobs, lost tax revenue. And crop farmers may not be the only ones feeling the pinch under these circumstances. What about the fertilizer and seed corn dealers, the elevators? They depend on a thriving agriculture industry, so whatever affects farmers, also affects these industries. What about our livestock producers? They also figure into the picture because in Nebraska, we feed roughly 40 percent of our feed grains to our own livestock.

On another note, the difference between property tax values on irrigated land and on dryland could potentially make huge dents in revenues. These are monies that are relied on by county governments and school districts, entities that cannot afford loss of income in these lean budget times.

My concerns are not without basis. Of the top 10 corn producing counties, all but Chase County have a Platte River connection. Regarding the top 10 soybean producing counties, six border the Platte. Of the major hay producing counties, three - Dawson, Lincoln and Scottsbluff - have Platte River ties and another three - Cherry, Sheridan, and Dawes - have a Niobrara River connection, an area being scrutinized as piping plover habitat.

So far, I have listed my concerns as they affect producers of both crops and livestock, and agriculture input dealers, but I also want to note my concern for the future of value-added production in the state. We have been, and will continue, to push for economic development in Nebraska based around taking our raw agricultural products and adding value through processing. This helps keep more of these agricultural dollars close to home, helping to fuel our rural economies. But, these types of facilities often require great quantities of water. We don't want to shut the door on these opportunities, so we need to keep the value-added initiative in mind as we continue work on the Cooperative Agreement.

My point in all of this is that Nebraska's agriculture producers have a great deal at stake in the development of the Cooperative Agreement and the designation of proposed critical habitat for the piping plover. But, they aren't the only ones. The costs and consequences of both issues, while affecting every single farming and ranching operation in this state, will also impact the economies that depend on them. Agriculture must continue to have a seat at the table in any discussions on each of these matters.

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